Before the Federal Communications Commission Washington, DC 20554

VERIZON PENNSYLVANIA LLC and
VERIZON NORTH LLC,

Complainants,

v.

METROPOLITAN EDISON COMPANY, PENNSYLVANIA ELECTRIC COMPANY, and PENN POWER COMPANY,

Defendants.

Proceeding No. 19	
Bureau ID No. EB-19-MD-	

VERIZON'S FIRST SET OF INTERROGATORIES TO FIRSTENERGY

Complainants, Verizon Pennsylvania LLC and Verizon North LLC (collectively, "Verizon"), by and through their undersigned counsel, request that Defendants, Metropolitan Edison Company, Pennsylvania Electric Company, and Penn Power Company (collectively, "FirstEnergy"), answer the following Interrogatories within twenty (20) calendar days of the date of this request pursuant to 47 C.F.R. § 1.730(c). Answers should be served on Verizon's counsel, Christopher S. Huther, by email at chuther@wileyrein.com and by mail at Wiley Rein LLP, 1776 K Street NW, Washington, DC 20006.

The information sought in each Interrogatory is necessary to the resolution of this dispute because each seeks information regarding the pole attachment rental rate for Verizon's use of FirstEnergy's poles that is "just and reasonable" under 47 U.S.C. § 224 and the decisions of the Federal Communications Commission and its Enforcement Bureau. The information sought in each Interrogatory is not presently available from any other source, as it is not obtainable from a

public source, is within FirstEnergy's sole possession, custody, or control, or is otherwise not available to Verizon.

DEFINITIONS

The following terms have the following meanings, unless the context requires otherwise:

- 1. "Any" and "all" include "any and all" and "each" and "every" include "each and every." "And" and "or" means both the conjunctive and the disjunctive.
 - 2. "CLEC" means competitive local exchange carrier.
- 3. "Concerning," and derivatives thereof, has the broadest meaning that may be accorded to it and includes, but is not limited to, directly or indirectly relating, pertaining, mentioning, referencing, referring to, describing, constituting, containing, embodying, being connected with, setting forth, discussing, commenting upon, analyzing, supporting, establishing, contradicting, proving, disproving, or reflecting in any way.
 - 4. "FCC" means Federal Communications Commission.
- 5. "FirstEnergy" means any or all of Metropolitan Edison Company, Pennsylvania Electric Company, and Penn Power Company, and any persons associated with those entities, including, but not limited to, each of their current or former parents, subsidiaries, affiliates, officers, directors, independent contractors, agents, servants, attorneys, successors, predecessors, representatives, investigators, experts, employees, ex-employees, consultants, representatives and others who are in possession of, or who may have obtained, information for or on behalf of the above-mentioned persons or entities.
 - 6. "Identify" means:
 - (a) When referring to a person, the person's full name, title, business address, e-mail address, and telephone number, and relationship to FirstEnergy. If you do not

know the person's current information, provide the person's last known business affiliation and title, business address and telephone number, residential address and telephone number, e-mail address, and relationship to FirstEnergy.

- (b) When referring to a document, the type of document (*e.g.*, letter, memorandum, e-mail, etc.) or some other means of identification, its author(s) and addressee(s), its date, its subject, and the name of any person in whose custody the document is kept in the usual course of business.
- (c) When referring to an oral communication, the type of communication, the persons who participated in, heard, or witnessed it, the date of the communication, and the subject and substance of the communication, and identify any documents that set forth, summarize or refer to any portion of such oral communication.
- (d) When referring to a business organization, the corporate name or other names under which said organization does business and the location and phone number of its principal place of business.
- (e) When referring to data, the type of data, its vintage, the geographic location where the data was collected, and all facts, figures, measurements, and other data collected and analyses performed.

If any of the foregoing information requested is not known, the response shall indicate what of the foregoing information is not known.

7. "JUA" means any or all of the Joint Use Agreements between FirstEnergy and Verizon that are identified in paragraph 3 of the Pole Attachment Complaint.

- 8. "Joint Use Agreement" means any agreement entered into by FirstEnergy and any incumbent local exchange carrier that grants access to FirstEnergy's distribution poles, including any amendments, exhibits, appendices, and operational guidelines, practices, or policies.
- 9. "License Agreement" means any agreement entered into by FirstEnergy and any CLEC, cable company, or wireless provider that grants access to FirstEnergy's distribution poles, including any amendments, exhibits, appendices, and operational guidelines, practices, or policies.
 - 10. "Parties" means FirstEnergy and Verizon.
- 11. "Person" or "Entity" have the fullest meanings allowed by law and include, without limitation, a natural person, corporation, firm, partnership, association, labor union, joint venture, proprietorship, governmental body, or any other organization, business, or legal entity, including all predecessors or successors in interest, and any officer, agent, employee, or representative of any of the foregoing.
- 12. "Pole Attachment Complaint" means the Pole Attachment Complaint and supporting Affidavits and Exhibits filed by Verizon against FirstEnergy at the Federal Communications Commission on November 20, 2019.
- 13. "Pole Attachment Order" means the Report and Order and Order on Reconsideration, Implementation of Section 224 of the Act; A National Broadband Plan for Our Future, 26 FCC Rcd 5240 (2011).
- 14. "Third Report and Order" means the Third Report and Order and Declaratory Ruling, In the Matter of Accelerating Wireline Broadband Deployment, 33 FCC Rcd 7705 (2018).

- 15. "Verizon Florida decision" means the publicly available version of the Memorandum Opinion and Order, Verizon Fla. LLC v. Fla. Power and Light Co., 30 FCC Rcd 1140 (EB 2015).
- 16. "Verizon Virginia decision" means the publicly available version of the Order, Verizon Va., LLC and Verizon S., Inc. v. Va. Electric and Power Co., 32 FCC Rcd 3750 (EB 2017).
- 17. "Verizon" means any or all of Verizon Pennsylvania LLC and Verizon North LLC, and any persons associated with each of those entities, including, but not limited to, officers, directors, employees, agents, representatives, predecessors, successors, assigns, attorneys, and anyone acting or purporting to act on their behalf or on behalf of any of them.
 - 18. "You" and "your" have the same meaning as FirstEnergy.
- 19. Terms not otherwise defined have the same meaning as they are alleged to have in the Pole Attachment Complaint. The past tense includes the present tense, and vice versa. The singular includes the plural, and vice versa. Terms are gender neutral and the use of one gender includes all genders.

INSTRUCTIONS

- 1. In response to each Interrogatory, first restate the Interrogatory.
- 2. Provide all responsive information that is in the possession, custody or control of FirstEnergy or any other person acting in the interest of, or on behalf of, FirstEnergy. If FirstEnergy does not have responsive information, or has information that is only partially responsive, FirstEnergy should provide the available information and identify the information that is not available.

- 3. If any response contains any objection, state with specificity the grounds for the objection and the part of the Interrogatory to which the objection is made but respond to the Interrogatory fully insofar as it is not deemed objectionable.
- 4. If any information requested was, but is no longer, in your possession or subject to your control, or is no longer in existence, state whether it is missing or lost, destroyed, transmitted or transferred voluntarily or involuntarily to others, or otherwise disposed of and explain the circumstances surrounding the authorization for such disposition and the date or approximate date thereof.
- 5. These interrogatories are continuing and FirstEnergy must supplement its responses upon discovering or learning of additional information in its custody, possession, or control that was not produced or included in an earlier response.

INTERROGATORIES

- 1. Beginning with the 2011 rental year, state the annual pole attachment rental rates that FirstEnergy contends are "just and reasonable" for Verizon's use of FirstEnergy's poles under 47 U.S.C. § 224(b). Include in your response all facts on which you rely for your contention that the annual pole attachment rental rates are "just and reasonable" under 47 U.S.C. § 224(b), the formula, calculations, inputs, assumptions, and source data used to calculate each annual pole attachment rental rate, and the corresponding pole attachment rental rate that would apply to FirstEnergy's use of Verizon's poles.
- 2. Explain in detail what, if any, steps FirstEnergy has taken to ensure that its Joint Use Agreements and License Agreements comply with the "just and reasonable" rate provision of 47 U.S.C. § 224(b), the *Pole Attachment Order*, the *Verizon Florida* decision, the *Verizon Virginia* decision, and the rate section of the *Third Report and Order* (Section III.C).

- 3. Beginning with the 2011 rental year, identify all entities that have had a Joint Use Agreement or License Agreement with FirstEnergy and state whether the entity is an incumbent local exchange carrier, CLEC, cable company, wireless provider, or other entity.
- 4. Beginning with the 2011 rental year, state the annual pole attachment rental rate that FirstEnergy charged each entity identified in response to Interrogatory 3, the number of poles or attachments for which the pole attachment rental rate was charged, and whether the entity uses FirstEnergy's poles pursuant to a License Agreement or a Joint Use Agreement. Include in your response the formula, calculations, inputs, assumptions, and source data used to calculate each pole attachment rental rate charged and state whether the rate was charged on a per-pole, per-attachment, or other basis and whether the rate was paid.
- 5. State the rates, terms, and conditions of all Joint Use Agreements and License Agreements with FirstEnergy that were in effect at any time from the 2011 rental year forward. Include in your response the name of the entity that is a party to the Joint Use Agreement or License Agreement with FirstEnergy and the dates on which the Joint Use Agreement or License Agreement with FirstEnergy was in effect. In lieu of stating the rates, terms, and conditions of all Joint Use Agreements and License Agreements, FirstEnergy may produce copies of each such Joint Use Agreement and License Agreement.
- 6. With respect to each License Agreement identified in response to Interrogatory 5, identify any advantage or benefit that FirstEnergy contends Verizon receives under any JUA, and any disadvantage imposed on Verizon under any JUA, as compared to the terms and conditions provided to the attaching entity. Include in your response, beginning with the 2011 rental year, a quantification of the annual monetary value of each such claimed advantage, benefit, or disadvantage expressed on a per-pole basis, the JUA to which the claimed advantage, benefit, or

disadvantage applies, the language from each License Agreement that establishes or supports the claimed advantage, benefit, or disadvantage, and all data, formulas, calculations, inputs, assumptions, and source data used to quantify the monetary value of each claimed advantage, benefit, or disadvantage.

- 7. With respect to each "Verizon Competitive Advantage" listed in the bullet-point list in David J. Karafa's email to Brian H. Trosper, dated June 7, 2018 (a copy of which email is included as Exhibit 29 to the Pole Attachment Complaint), state all facts that supported Mr. Karafa's characterization of each bullet-pointed item as a "Verizon Competitive Advantage." Include in your response all data, analyses, formulas, calculations, inputs, or assumptions used to quantify each "Verizon Competitive Advantage."
- 8. Beginning with the 2011 rental year, for each claimed advantage or benefit identified in response to Interrogatory 6 and for each "Verizon Competitive Advantage" identified in Interrogatory 7, state by year the amount of money that FirstEnergy collected from each entity identified in response to Interrogatory 3 concerning that claimed advantage, benefit, or "Verizon Competitive Advantage," and the number of poles for which the amounts were charged and collected. Include in your response all formulas, calculations, inputs, assumptions, and source data used to invoice these amounts.
- 9. Beginning with the 2011 rental year, state the rate of return used by FirstEnergy in the calculation of rates under 47 C.F.R. § 1.1406(d), including the cost of debt, cost of equity, and capital structure, and, if different, FirstEnergy's state-authorized weighted average cost of capital and/or weighted cost of equity, including, as appropriate, the cost of debt, cost of equity, and capital structure. Include in your response the formula, calculations, inputs, assumptions, and source data used.

10. Identify all data regarding poles jointly used by Verizon and FirstEnergy, including all survey, audit or sampling data, concerning pole height, the average number of attaching entities, the space occupied by Verizon, FirstEnergy, and any other entity. Include in your response when the data was compiled or collected, the entity or entities that compiled or collected it, the accuracy requirements, if any, imposed or related to the compilation or collection of the data, and the rules, parameters, and guidelines upon which the data was collected.

Respectfully submitted,

By:

Curtis L. Groves

Verizon

1300 I Street, N.W.

Suite 500 East

Washington, DC 20005

(202) 515-2179

Christopher S. Huther Claire J. Evans Wiley Rein LLP 1776 K Street NW Washington, DC 20006 (202) 719-7000 chuther@wileyrein.com cevans@wileyrein.com

Attorneys for Verizon Pennsylvania LLC and Verizon North LLC

Dated: November 20, 2019

CERTIFICATE OF SERVICE

I hereby certify that on November 20, 2019, I caused a copy of the foregoing Verizon's

First Set of Interrogatories to FirstEnergy to be served concurrently with Verizon's Pole

Attachment Complaint on the following (service method indicated):

Marlene H. Dortch, Secretary Federal Communications Commission Office of the Secretary 445 12th Street, SW Room TW-A325 Washington, DC 20554 (by ECFS) Metropolitan Edison Company c/o CT Corporation System 600 North 2nd Street Suite 401 Harrisburg, PA 17101 (by hand delivery)

Kimberly D. Bose, Secretary Nathaniel J. Davis, Sr., Deputy Secretary Federal Energy Regulatory Commission 888 First Street, NE Washington, DC 20426 (by overnight delivery) Pennsylvania Electric Company c/o CT Corporation System 600 North 2nd Street Suite 401 Harrisburg, PA 17101 (by hand delivery)

Rosemary Chiavetta, Secretary Pennsylvania Public Utility Commission Commonwealth Keystone Building Secretary's Bureau, 2nd Fl, Room-N201 400 North Street Harrisburg, PA 17120 (by overnight delivery) Penn Power Company c/o CT Corporation System 600 North 2nd Street Suite 401 Harrisburg, PA 17101 (by hand delivery)

Claire J. Evans